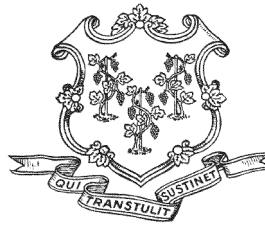


SENATOR MARTIN M. LOONEY
PRESIDENT PRO TEMPORE

Eleventh District
New Haven, Hamden & North Haven



State of Connecticut

SENATE

State Capitol
Hartford, Connecticut 06106-1591

132 Fort Hale Road
New Haven, Connecticut 06512

Home: 203-468-8829
Capitol: 860-240-8600
Toll-free: 1-800-842-1420

www.SenatorLooney.cga.ct.gov

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Good afternoon Senator Haskell, Representative Haddad and members of the Higher Education and Employment Advancement Committee. I want to thank the committee for voting to draft and hear **SB 273 AN ACT CONCERNING DEBT-FREE COLLEGE**. This bill is a priority of the Senate Democrats and I welcome the discussion on this topic.

As you are aware, student loan debt has become a critical issue in America. Nationally it is estimated that student loan debt has ballooned to over \$1.5 trillion. In Connecticut, that has translated to a per capita student loan debt for the class of 2016 of over \$35,000. This puts Connecticut as the third most student loan indebted state in the nation behind only New Hampshire and Pennsylvania.

Student debt influences where new graduates live and what types of jobs they are able to pursue. That is why it is important for Connecticut.

It is critical that we as a state invest in our future. A fundamental pillar of our future is the young people growing up in Connecticut and the young people that may consider moving to Connecticut. We need young people to stay in Connecticut and grow Connecticut. Our businesses, our economy and our prosperity depend upon it.

It has been estimated that Connecticut will need 70% of our population to possess some type of education beyond High School to meet the needs of our economy by 2025. There is no way to achieve this lofty goal without opening the doors to more students in Connecticut to obtain a college degree.

SB 273 provides access to two years at our community colleges for students of families whose household income is below \$150,000. Recent graduates of Connecticut high schools (public and private) would be eligible for this program that provides coverage of tuition and fees to students who maintain a 2.5 grade point average. All eligible students would be eligible for a minimum of \$500 of aid under this bill so that students most economically challenged will have access to funds to buy books and pay other costs to keep them enrolled.

This program is proposed as a “last dollar” program so that it won’t supplant any current financial aid the student receives but rather cover the delta costs not covered by other federal, state or institutional aid.

One key provision of this bill, and one of the motivations for the bill in general, is a provision to create a program for the Board of Regents to encourage, educate and help students fill out the Free Application for Federal Student Aid (FAFSA) application. Many students in Connecticut forgo college because they feel they can’t afford to go to college. They don’t understand that they may qualify for financial aid (primarily Pell grants) that could cover their tuition. By encouraging more Connecticut residents to just fill out a FAFSA we can maximize federal funds AND maximize opportunities for low income students in our state.

In general this bill aims at helping middle class families achieve the American dream. It has been crafted to help students from working class families attend and obtain a college degree. It focuses on keeping our talented young people here in Connecticut where they belong.

The economic competition from our neighboring states is real. New York and Rhode Island already have programs to offer tuition free college to their residents.

New York State decided to offer free tuition to all full-time students attending any state college who maintain a certain GPA and whose household income is under \$125,000 (2019/20 school year.) This program provided 45,000 students in New York free tuition this past school year.

In Rhode Island the approach was a little different. They decided to offer free tuition to all full-time students in Community College only who maintain a 2.5 GPA and did not put an income limit on the program. This year in Rhode Island there were 1,577 students who took advantage of the program.

Nationally there is a growing interest in similar programs. Tennessee and Oregon have already established successful programs and others, such as Massachusetts are considering starting their own programs.

Connecticut must adopt a similar program to maximize our production of college educated workers, maintain our young people in Connecticut and put us on a path for a prosperous future.

I would also like to testify in favor of **SB 435 AN ACT ESTABLISHING A TAX CREDIT FOR EMPLOYERS MAKING EDUCATION LOAN PAYMENTS FOR EMPLOYEES.**

This bill provides for tax credits for those businesses that take the step to offer student loan forgiveness to their employees.

This bill takes a unique approach to the issue of student loan debt by helping our businesses here in Connecticut to create jobs and employ recent college graduates. It not

only takes care of the issue of eliminating debt for young people, it also makes Connecticut a more attractive place to live. It will become a recruiting tool for the business and our state. A win/win for our economy and our collective future.